

# AutoData

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Karine Viana/Palácio Piratini.

# Toyota will invest in expansion in Rio Grande do Sul

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São Paulo - Toyota will invest in the expansion of the distribution center in Rio Grande do Sul. On Tuesday, 10, the president Rafael Chang signed an agreement with the state government. The value of the investment remains undefined – even so the executive's expectation is to increase the unit's staff and attract new suppliers:

"We signed a commitment to increase our activities. We want an expansion project, generate more jobs and include auto parts suppliers."

The distribution center, located in Guaíba, in the metropolitan Region of Porto Alegre, is one of three units that Toyota maintains in Brazil. The other centers are located in Vitória, ES, and Suape, PE.

The facility represents an important logistics platform for Toyota in the context of Latin

America. Vehicles produced in Argentina, such as the Hilux pickup truck and the SW4 SUV, for example, are received in the place before entering the national market. The same happens with the models produced here, which pass through the facility before being exported - a procedure similar to what happens with auto parts and components that the Brazilian operation receives from other intercompany units.

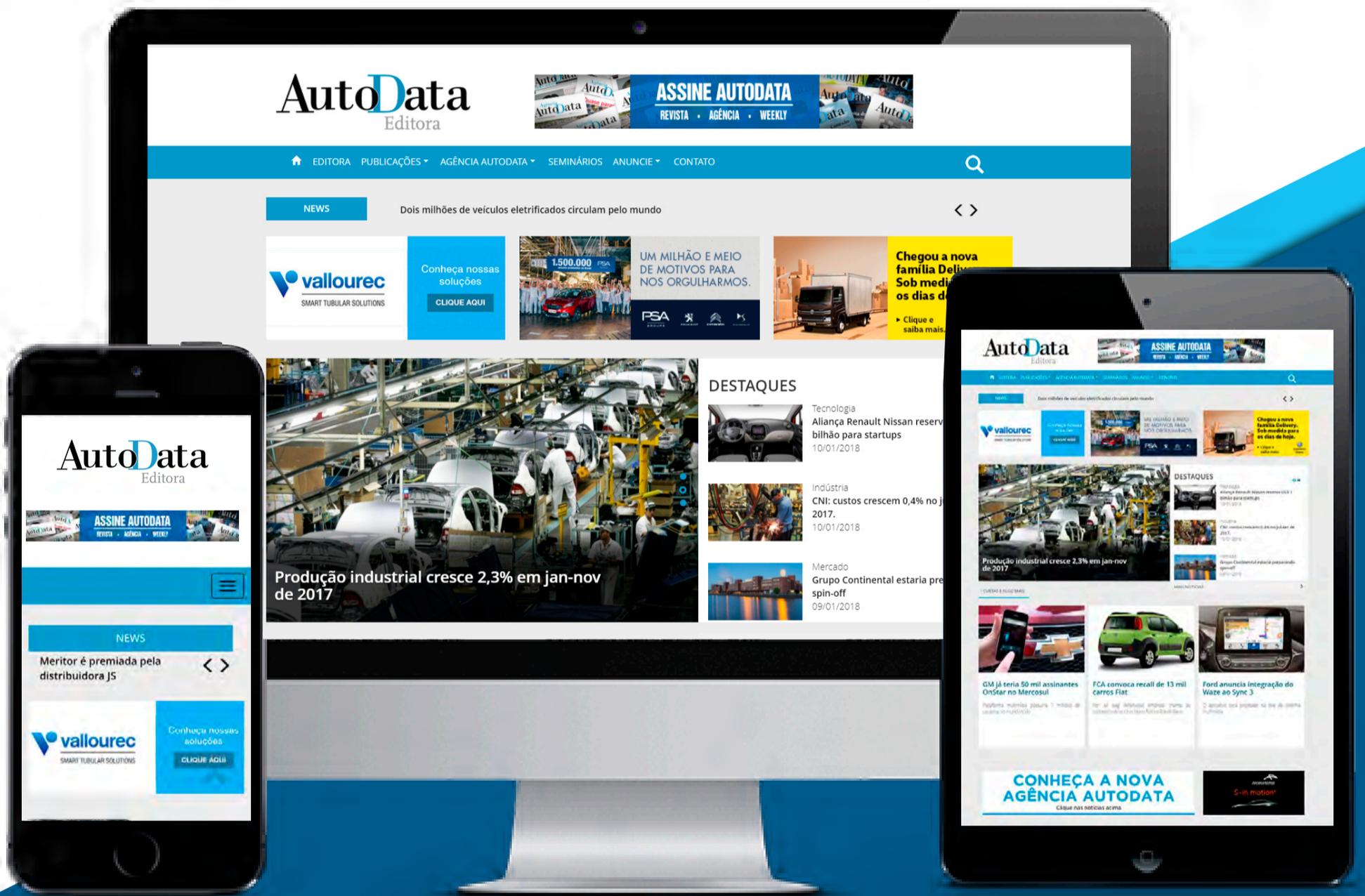
The commitment signed by the automaker emerges in a moment that the Brazilian automotive sector is breaking record exports.

The space was inaugurated in March of 2005, the result of an investment of R\$ 10 million. By the end of 2004, Toyota had been importing its vehicles and auto parts from Argentina through the port of Vitória, ES. It occupies 2.5 thousand m<sup>2</sup> of constructed area in land of 50 thousand m<sup>2</sup>.

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# The step by step of the 19th AutoData Award

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It is already causing a stir. One day after the announcement of the finalist companies, products and executives of the nineteenth edition of the AutoData Award – The Best of the Automotive Sector, we received many questions about the next steps of this which is the most relevant of the awards of the national automotive industry.

In the first phase, more than 150 cases of the national automotive industry were listed, which at some point in the last twelve months appeared in Autodata products – press agency, magazine and seminars. These cases, presented in the form of reports, were analyzed by AutoData's group of journalists. The members of the panel were S. Stéfani and Vicente Alessi, son, the publisher Márcio Stéfani, newsroom director Leandro Alves, editors André Barros and Marcos Rozen, and reporters Alex Chies, Bruno de Oliveira and Caio Berdnarski.

The top rated cases are part of the final list in



eighteen categories (see table below).

From now on, the plaques delivery phase will start to the 72 finalists and, in September, the details of the cases will be published in order to inform the voters that will elect The Best ones in an online environment.

It's the same formula of last year. The voting will be by a hotsite on the homepage of the website [autodata.com.br](http://autodata.com.br). The 2018 AutoData Congress' participants will also vote in their favorite cases.

As always, the choice of the Automotive Sector Company of the Year will be made from those elected in the business categories, in a private election managed by a commission of notable executives linked to the sector. The announcement of the Company and Personality of the Year will take place in November, in a traditional AutoData event.

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|   |  |  |   |
|---|--|--|---|
| <b>OEM of Light Vehicles</b>  | <b>OEM of Truck and Bus</b>  | <b>OEM of Agricultural and Highway Construction Machinery</b>  | <b>Systems Suppliers</b>                          |
| Caoa Montadora de Veículos<br>FCA Fiat Chrysler<br>General Motors<br>Volkswagen               | MAN Latin America<br>Mercedes-Benz<br>Scania<br>Volare                 | CNHi<br>JCB<br>John Deere<br>Volvo CE  | Bosch<br>Dana<br>Reydel<br>Valeo                  |
| <b>Auto Parts and Components Suppliers</b>  | <b>Quality and Partnership</b>   | <b>Powertrain</b>  | <b>Producer of Truck and Bus Bodies</b>           |
| Fras-le<br>Neo Rodas<br>NGK<br>Pirelli  | Maxion Wheels<br>NGK<br>Grupo Continental<br>ZF                        | Cummins<br>Ford<br>MWM<br>Renault  | Librelato<br>Marcopolo<br>Randon<br>Truckvan      |
| <b>Management</b>   | <b>Technological Development</b>                                       | <b>Exporter</b>  | <b>Marketing, Communication and Advertisement</b> |
| Delphi/Aptiv<br>Fras-le<br>Honda<br>PSA   | MAN Latin America<br>Nissan<br>Toyota<br>Volare/BYD                    | Scania<br>Volkswagen<br>Zen  | Anfavea<br>Hyundai<br>Mercedes-Benz<br>Renault    |
| <b>Cars</b>   | <b>Light Commercial Vehicles</b>                                       | <b>Trucks</b>  |   |
| Chery Tiggo2<br>Fiat Cronos<br>Toyota Yaris<br>Volkswagen Novo Polo                           | Citroën Jumpy<br>Fiat Toro<br>Iveco Daily City 30S13<br>Peugeot Expert | Hyundai HD80<br>Ford Cargo Power C-2431 Torqshift<br>Volkswagen Delivery<br>Scania Super Rodotrem R620 6x4 V8  |   |
| <b>Buses</b>  | <b>Imported Vehicles</b>   | <b>Executive of the Year</b>   |   |
| Iveco SoulClass<br>Mercedes-Benz O 500 RSD<br>Volksbus 17.230 ODS<br>Volvo B340M Biarticulado | Audi Q5<br>Ford Mustang<br>Peugeot 3008<br>Volvo XC40                  | Carlos Alberto Oliveira Andrade, presidente do Grupo Caoa<br>Carlos Zarlenga, presidente da General Motors<br>Pablo Di Si, presidente da Volkswagen<br>Roberto Cortes, presidente da MAN Latin America |   |

# Manufacturers do not keep employees in PSE anymore

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**S**ão Paulo - The automotive sector no longer has any employee in the PSE, Programa Seguro Emprego (Job Safety Program). The information was passed by Anfavea's President Antonio Megale on Friday 6. Created in August of 2015 as an alternative to the dismissal of employees of the automakers during the crisis that began one year before, PSE can make labor laws more flexible, allowing for a 30% reduction of the workload and salary. The government, through the FAT, Fund for Workers' Assistance, paid for half the wage reduction.

This does not mean, however, that the program has been terminated: it is just not currently being used by any automaker. But they can join again if the market retreats.

According to Anfavea, in March and April of 2016 the PSE reached its peak, with 30 thousand 551 employees included in the program.

In the case of the lay-off, which is the temporary suspension of the employment contract -- another solution used by companies to adjust their employees' volume to market demand --, there are still 758 active workers in the program according to Megale, with the resumption of the market: they were 498 in February and 599 in March. According to Anfavea, this increase in employees in lay-off reflects isolated actions of some companies that still adjust the number of their workforce.

Even with increase of workers in lay-off, jobs grew 3.9% from January to June compared to the same period last year, or 131 thousand 475 job vacancies in the automotive industry. In relation to May, there was a slight drop of 0.7%.

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# SL Automotive is the new supplier of GM Gravataí

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**S**ão Paulo - A new auto parts supplier will integrate the industrial condominium of General Motors of Gravataí, RS - SL Automotive already prepares its installation in a building formerly occupied by Ardeb, which moved its assets to São Paulo. The company, according to the local metalworkers' union, will produce lighting systems and lamps for a new model that GM plans to produce at the unit. GM confirmed the information.

This will be the first operation of the company in Brazil. Founded in 1954 in South Korea, SL produces lighting systems, mirrors and front end modules. The company is already a GM global supplier, arriving in 2017 to win the supplier of the year award. Its performance extends beyond South Korea, China, the United States, Poland and India.

SL is the second new company that integrates GM's suppliers list in the state of Rio Grande do Sul: in June, Reydel also joined the auto parts chain that serves

the automaker's plant in the industrial condominium. Reydel will supply components for the dashboard of a model that will be produced in the new Gravataí line. Just like SL Automotive Reydel has come to replace a former supplier, in this case, Continental. Valeo and Yapp Automotive Systems, the producer of fuel systems, also announced investments.

Stopped. According to the Gravataí union, GM scheduled production stop from July 30, a Monday, to August 6, the following Monday, to test the new line. The truck drivers' strike, the agency said, caused delays in the tests planning that had been established, which postponed the procedures to the end of July.

The tests deal with the synchronization of the line that produces the Chevrolet Onix and Prisma models and the second line, which is being installed in parallel. It is understood that the new model will share assembly processes with the vehicles already produced there. **WE**

# Aiming at the 38%

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**S**ão Bernardo do Campo - Independent of performance in the premium segment in 2018, Mercedes-Benz will maintain its objective: to respond for at least 38% of sales, keeping the market leadership. This goal was fulfilled in the first half of the year, when the company sold 6 thousand 333 units, guaranteeing a 9% growth, a 38.8% share and the first place among among the three German premium brands.

Its senior sales and marketing manager, Dirlei Dias, explains why he considers only Audi and BMW in market share accounts: "They are the brands we compete with directly in all segments."

After reaching a peak of 17,6 thousand units sold in 2015, Mercedes-Benz sold, in 2016, 11,3 thousand cars. The company recovered some of the volume lost last year, 12,4



thousand units, and expects to close this year with 13,6 thousand sales.

The exchange rate oscillations have not been reflected in Mercedes-Benz car prices yet but a new price list will be released next month, when the 2018-2019 models will arrive at the dealerships. In March, in the turn to the line 2018-2018, there was a readjustment of 2%, according to Dias. In any case, the dollar increase has had a soft impact on Mercedes-Benz operations because of the truck operation in São Bernardo do Campo, SP, which is an exporter.

Last week the company received good news: along with the Provisional Measure that created Rota 2030 the President of the Republic signed a project that allows premium manufacturers to receive the IPI credits that were stuck with the end of Inovar Auto: "We have credit to receive from 2019, when the measure will come into force, until 2021, when our factory will be five years old."

As for the requirements of the Rota 2030 Mercedes-Benz seems calm. There are, for example, plans to bring hybrid plug-in models in the mid-term, which would help improve energy efficiency levels. The safety items,

another requirement of the new automotive program, are also present in the models.

"Rota 2030 brings, as a great advantage, predictability for our business. We need stability to be able to afford the investments we make here. For customers is also good because it provides more efficient and safer cars."

Dias recalled that the company exceeded the efficiency targets of Inovar Auto, which guaranteed 1 percentage point of IPI discount for the models sold in the domestic market.

Local production - Of the total number of cars sold by Mercedes-Benz in Brazil around 60% come from the assembly lines of the factory in Iracemápolis, SP - the Class C and the GLA. There are no plans, according to Dias, to introduce a new model to the line: "The factory has great flexibility and conditions to produce new cars at any time if needed. But it's not in the plans."

The quality index of products made in Iracemápolis is, according to the manager, at the level of the main Mercedes-Benz units in the world. Currently, there are 860 employees, plus outsourced suppliers, in one shift.

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# Abraciclo makes new projections

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**S**ão Paulo - Abraciclo released on Wednesday, 11, new estimates for production, sales and exports of motorcycles in 2018, after the positive results of the first semester. Regarding the projections released at the beginning of the year, numbers and indexes were readjusted upwards in production and sales and became smaller in exports.

The domestic market will increase factory rhythm in the second semester, according to president Marcos Fermanian. For him there is a greater offer of credit - and more appetite from banks for concession -, repressed demand in the market and optimism in the Brazilian population, "and another important factor is the increase in the fuel price, which in our view, stimulates the search for low-consumption models".

According to the new projections, the PIM, Polo Industrial of Manaus, will produce 980 thousand motorcycles, a volume 11% higher than the result of 2017. The domestic market will consume 915 thousand units, a 7.5% increase over last year. At the beginning of the year Abraciclo's expectation was to produce 935 thousand motorcycles and market 865 thousand units in Brazil.

The external market, on the other hand, had its estimates reduced from 85 thousand units to 80 thousand units, which would represent a reduction of 2.2% compared to last year: "The economic moment of Argentina, our main trading partner, made us reduce expectations with the exports".

Fermanian said that Argentina has looked for fewer Brazilian motorcycles, in June already. Exports decreased 33.6% compared to May and 42.4% compared to June of last year, to 2.2 thousand units. "More than 70% of Brazilian motorcycle exports are to the neighboring country".

In the year, however, the balance is positive: a 26.6% increase in the first semester, totaling 41 thousand 303 exports.

Production and sales felt the effects of the truckers' strike, which delayed factories in early June. 50,1 thousand motorcycles left the PIM, 48.1% below May and stable in comparison with the same month of 2017. According to the president of Abraciclo some companies opted to anticipate the collective vacations, scheduled for July, for last month, taking advantage of the lack of auto parts generated by the trucks' stop.

Retail closed the month with 74 thousand registrations, decrease of 8.8% related to May but 3.3% over June last year.

In the semester production totaled 494.7 thousand units, increase of 16.7% over the first six months of last year. Sales increased 6.9% in the same period, reaching 456,7 thousand motorcycles.

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